

## **Public Comment as of March 27, 2013**

### **Anonymous, March 22**

Please work to reduce the frequency and need for cash payments on buses. The whole system suffers from "cash fumlbers" -- we should move towards offboard payment, including more widespread Orca card usage. Cash fares should pay a surcharge (or, put another way, cashless payers should get a discount). We must provide the right incentives to streamline payment and thus streamline the system.

### **John Stewart, March 22**

I would urge the Committee to carefully consider the option of a low income fare in the context of Metro operations. I've been a Metro rider, generally multiple trips a day, since 1984. I've seen time and time again the challenges with cash fare payment (particularly in coins), with folks who don't have fare trying to talk their way on to the bus, and the difficult positions faced by passengers and drivers alike in these circumstances. I've also learned, particularly over the last five years, of just how much impact on Metro operations each delay costs.

At a time when service hours are already inadequate and funding is threatened, we need to be doing everything we can to make buses move as quickly as possible when they are in service, to maximize the utility of each service hour deployed on the streets. I think any low income fare needs to be tied to the Orca card system.

Please do not create another paper system, or flash pass, or anything else that distinguishes folks who need help from those of us with employer subsidized or personally purchased Orca cards. This will help with operational efficiency, and also preserves some dignity for folks who need help.

Thank you for working hard on what is undoubtedly a difficult issue!

### **Brent White, March 22 | Per-ride smart card incentives among peer agencies with smart cards**

One of the great opportunities created by the rollout of a low-income ORCA card is to break through the logjam between those who see the importance of being able to pay with cash and those who see the importance of rewarding riders for not paying with cash. Riders who ride frequently enough to buy a monthly pass, get an employer pass, or frequently ride other agencies' routes, have a fairly strong incentive to use ORCA. Riders who only travel on Metro have an incentive to not bother with ORCA and just pay with cash. This lack of incentivization comes with a noticeable effect on service. It slows buses down, reducing the number of trips that can be driven each day.

Nearly every smart card program in the US features monthly passes. However, the most straightforward and most common per-ride incentive program is to have a lower fare when paying with a smart card than when paying with cash. The Massachusetts Bay Transportation Authority (Boston) charges \$2 for its base cash fare, and \$1.50 for its base Charlie Card fare. Naturally, cash payment is rare. Inner-express fares are \$4.50 cash or \$3.50 on the Charlie Card. Outer-express fares are \$6.50 cash, or \$5 on the Charlie Card. Reduced fare is \$0.75, \$2.25, and \$3.25, and requires use of a reduced-fare Charlie Card.

The Chicago Transit Authority charges \$2.25 regular cash fare on all buses, \$2 on the Chicago Card, \$1.10 reduced cash fare, and \$1 reduced fare on the Chicago Card. Gold Coast Transit (Ventura County, CA) gives a 10% discount on each fare category for using the Go Ventura Card. Note that the computers don't actually have to calculate a discount on each transaction. The fares are simply set at the discounted rate.

The Washington Metropolitan Area Transit Authority charges \$1.80 as its base cash fare for local routes, \$1.60 on the SmarTrip Card for such routes, \$0.90 for local reduced cash fare, and \$0.80 local reduced fare on SmarTrip. The express fares in those same categories are \$4, \$3.65, \$2, and \$1.80.

Two other agencies, the Metropolitan Atlanta Rapid Transit Authority and Houston's Metropolitan Transit Authority, offer multiple-ride discounts via their smart cards. I don't recommend this approach because it is less accessible to riders who can't afford to put a large chunk of e-purse on their ORCA. . If you are looking for statistical perspective on how widespread electronic payment incentives are, there are only fifteen contactless smart cards available on US bus agencies. The oldest is DC's SmarTrip Card, rolled out in 1999. The Go Ventura Card was second, rolled out in 2001. The Chicago Card was third, in 2002. Atlanta's Breeze Card was fourth in 2005. Boston's Charlie Card was fifth in 2006. Four more were rolled out in 2007, including Houston's Q Card.

There is a rather strong correlation between the maturity of a smart card program and its use of electronic payment incentives. In the past, some have argued that disincentivizing cash fare payment is hard on the poor. But with the low-income ORCA rollout, poor riders would already be getting a rebate, so an electronic payment discount would no longer be unfair to poor riders. What is hard on all riders, including the poor, is slower bus service. Slower bus service translates into less bus service. An electronic payment rebate, applied on all payer categories, could help reduce the amount of the general fare increases by instead reducing operational costs. Consider that, with fare recovery at roughly 25% of operating costs, 2% savings on operating costs would have roughly the same fiscal impact as an 8% fare increase. The choice then becomes whether we want higher fares or more and faster service. I hope this committee comes down on the side of more and faster service.

Thank you again for your service and the effort you are putting into the far-reaching decisions this committee will make.

Best, Brent White